



San Francisco International Airport

MEMORANDUM

February 4, 2020

20-0016

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Malcolm Yeung

FEB - 4 2020

FROM: Airport Director

SUBJECT: Approval of Modification No. 6 to Contract No. 9254 for Airport Shuttle Bus Services with SFO Hotel Shuttle, Inc.

DIRECTOR'S RECOMMENDATION: APPROVE MODIFICATION NO. 6 TO CONTRACT NO. 9254, AIRPORT SHUTTLE BUS SERVICES WITH SFO HOTEL SHUTTLE, INC., TO EXERCISE THE FINAL 2-YEAR OPTION TO EXTEND THE TERM THROUGH JUNE 30, 2022 AND INCREASE THE CONTRACT AMOUNT BY \$27,900,000 FOR A NEW TOTAL CONTRACT AMOUNT NOT TO EXCEED \$123,181,617.

Executive Summary

Through Contract No. 9254, SFO Hotel Shuttle, Inc. provides free shuttle bus service at San Francisco International Airport (Airport or SFO). This service includes busing to Long Term and Employee Parking Garages/Lots, busing to remote locations for Airfield operations, as-needed emergency busing services during AirTrain outages, and a new route to and from Oyster Point Ferry Terminal. The existing contract with SFO Hotel Shuttle, Inc. will expire on June 30, 2020. Staff seeks Commission approval to exercise the final 2-year option to extend the term through June 30, 2022.

Background

On October 9, 2012, by Resolution No. 12-0220, the Commission awarded Contract No. 9254 to SFO Shuttle Bus Company (now known as SFO Hotel Shuttle) to provide shuttle bus services at SFO for a period of three-years and seven-months with three 2-year options to extend, for a total possible term of 9-years and 6-months. The total not-to-exceed Board of Supervisors (BOS) contract amount, including all extensions, was \$105,000,000. The contract has been modified five times, as detailed in Attachment A – Summary of Commission Actions to date for this contract.

The AirTrain extension to the long-term parking garage, initially scheduled for completion in March 2020, is now scheduled for completion in December 2020. Upon completion, Staff will evaluate busing services and recommend reduction in the scope of shuttle services to the new long-term parking garage. Assuming the AirTrain extension is complete by the end of December 2020, then we expect to see a reduction in spending on this contract by approximately \$500,000 each month.

AIRPORT COMMISSION CITY AND COUNTY OF SAN FRANCISCO

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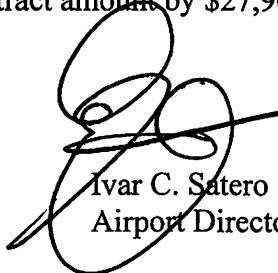
LONDON N. BREED MAYOR LARRY MAZZOLA PRESIDENT ELEANOR JOHNS RICHARD J. GUGGENHIME MALCOLM YEUNG IVAR C. SATERO AIRPORT DIRECTOR

In July 2019, the Airport added a route to Oyster Point, allowing badged personnel and customers from the East Bay to commute via ferry, and then get a free ride to the Airport. The Airport provides three scheduled rides in the morning and another three in the evening. While a small group of badged employees – and an even smaller number of customers – use this service, Staff is considering whether the service is sustainable, given the low numbers. Should Staff conclude that the Oyster Point service is underused, that service will be terminated, which will reduce the overall cost of this contract extension by \$150,000.

The initial not-to-exceed amount for this contract, including extensions, was \$105,000,000. In the intervening years, changes in scope to accommodate Airport construction projects resulted in accelerated expenditures. With this Modification No. 6, increasing the contract amount by \$27,900,000, the revised total not-to-exceed contract amount is \$123,181,617. The contract will expire on June 30, 2022. Consistent with San Francisco Charter Section 9.118(b), the Airport will also seek approval for this modification from the BOS.

Recommendation

I recommend the Commission approve Modification No. 6 to Contract No. 9254, Airport shuttle bus services with SFO Hotel Shuttle, Inc., to exercise the final 2-year option to extend the term through June 30, 2022 and to increase the contract amount by \$27,900,000, for a new total contract amount not to exceed \$123,181,617.



Ivar C. Satero
Airport Director

Prepared by: Jeff Littlefield
Chief Operating Officer

Attachments

ATTACHMENT A
SUMMARY OF COMMISSION ACTIONS
February 4, 2020

Contract No.: 9254 Airport Shuttle Bus Services

Contractor: SFO Hotel Shuttle, Inc.

Modification No. 6

Date	Modification No.	Resolution No.	Description	Scope	Amount
10/9/2012	-	12-0220	Award of Contract	Contract No. 9254 to provide Airport Shuttle Bus Services for an initial term of three years and seven months with three 2-year options to extend for a total possible term of nine years and six months.	\$39,000,000
5/15/2015	1	-	Administrative Modification	Assignment & Assumption to assign services from SFO Shuttle Bus Company to SFO Hotel Shuttle, Inc.	\$0
3/15/2016	2	16-0077	Contract Modification	Exercising the first of three 2-year options and updating administrative changes required by San Francisco contracting ordinances.	\$23,871,617
3/21/2017	3	17-0063	Contract Modification	To adjust the contract scope to include airfield bus service and increase funding.	\$1,410,000
1/16/2018	4	18-0002	Contract Modification	Exercising the second of three 2-year options.	\$28,300,000
12/18/2018	5	18-0400	Contract Modification	Authorizing wage rate increases and additional reimbursable costs in the Calculation of Charges.	\$2,700,000

Authorized Contract Amount to Date	\$95,281,617
Modification No. 6 Proposed Increase	<u>\$27,900,000</u>
Proposed Contract Amount	\$123,181,617